

**[5/2/78-Department of Education – Organization Plan] [2]**

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The National Foundation on  
the Arts and Humanities

I. Program Description

Agency: The National Foundation on the Arts and Humanities is independent and is composed of two principal divisions

A. National Endowment for the Arts

Budget: FY 1979 budget request: \$149.66 million

Personnel: 222

B. National Endowment for the Humanities

Budget: FY 1979 budget request: \$145.6 million

Personnel: 252

The National Foundation on the Arts and Humanities was established in 1965 as an independent agency composed of the National Endowment for the Arts, the National Endowment for the Humanities and the Federal Council on the Arts and Humanities. (The Foundation is simply a legislative concept and is composed solely of the above three components.) Each of the Endowments is advised by a presidentially appointed council, each administers its own programs, but they share some administrative staff. The Federal Council performs a basic coordination function between the Endowments and those Federal agencies with cultural programs.

Both Endowments can be described as having dual goals, and each pursues its objective through two types of activity: providing financial assistance in the form of grants and performing a national leadership function in its field.

The Endowment for the Humanities makes grants to individuals and organizations to underwrite the production of knowledge in defined areas of humanistic study. The Humanities is empowered with the authority to develop a national policy to promote progress and scholarship in the Humanities, award fellowships for training and workshops and otherwise support scholarly work.

The Endowment for the Arts makes grants to individuals and organizations for the purpose of making the arts more widely available, preserving national cultural heritage, strengthening cultural organizations and encouraging the development of the Nation's best artistic talent.

## II. Problems and Opportunities

1. Both Endowments are criticized as being elitists organizations, giving principal attention to upper-middle class needs and lifestyles. Linking the Endowments to a broad range of education programs might help to expand their audience.
2. With regard to elementary and secondary schools, curriculum developers generally have given little attention to integrating arts into general education. Locating the Endowment for the Arts and education programs within the same department could result in national leadership for greater program integration.
3. The Endowment for the Humanities already has linkages with higher education. In FY 77 approximately \$29 million of \$80 million of available grants were awarded to institutions of higher education. Of this \$29 million, over a third was for incidental or "off-campus" use whereby the university is officially the grantee for an affiliated activity, e.g., a museum or a public radio or television station.\*

## III. Assessment

Transferring the Endowments for the Arts and Humanities to the Department of Education would have the following advantages:

1. The diversity of the department would be enhanced by the inclusion of the Endowments.

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### Program Grants National Endowment for the Humanities FY77 (in millions)

Grants to non-higher education institutions	\$44.6
Grants to institutions of higher education	\$28.7
("Off-campus" grants)	(11.2)
(Research, dissemination, training)	(9.3)
(Higher education curriculum, innovation, etc.)	(8.2)
Grants to individuals	6.1
TOTAL Program Grants	<u>\$79.4</u>

2. With regard to the Humanities, non-academic institutions, e.g., libraries and museums, provide a bridge to expanding the learning process beyond formal schooling so that availability of learning will not be restricted by entrance requirements (higher ed) and age (elementary/secondary ed).
3. Since the Humanities give institutional assistance to higher ed, the involvement, commitment and interest of the higher education community to the department would be more likely to be ensured, if the Humanities Endowment were included.
4. The role of the Humanities will be broadened in view of its new relationship with Federal education priorities, for example, with regard to science education.
5. With regard to including the Endowment for the Arts, the broader Federal role would serve to redefine the concept of education by mainstreaming arts at the local level.

Transferring the Endowments would have the following disadvantages:

1. Transferring the Endowments might inhibit or eliminate their advocacy role.
2. Both the Arts and Humanities have unique programs, stressing the quality of activities as opposed to stressing maximum delivery of service or benefits. Adding such programs to a separate department of education would probably not achieve any administrative simplification since the education division does not currently have procedures designed to accommodate the selection and administration of arts and humanities grants.
3. The President has assured the arts community that he would do nothing to impair the autonomy of the arts. A decision to transfer the Endowments, particularly the Arts, could be interpreted as reneging on this assurance.
4. In the Education Department, Arts and Humanities might be subordinate to other priorities.

5. Currently, the National Council on the Arts and the National Council on the Humanities, in conjunction with the chairmen, guide the policy of the Endowments. Maintaining the statutorily created councils would, to a degree, lessen the policy impact of a Secretary of Education and make policy coordination more difficult.
6. There would be political opposition from the Endowments' constituencies to including them in the department.

Because the two Endowments are nominally a part of a single agency (the National Foundation), there is a tendency to treat the two as inseparable. However, because the National Endowment for the Humanities is more closely linked to the higher education community, a case may be made to transfer this Endowment to the new department, excluding the National Endowment for the Arts.



## Indian Schools

I. Program Description

Agency: Bureau of Indian Affairs, Department of the Interior

Budget: FY 1979 budget request: \$195.8 million <sup>1/</sup>

Personnel: Approximately 6,500

Reservation children attend school through a great variety of organizational arrangements. Of those attending school, about 75 percent attend public schools and live either at home or in BIA dormitories. A small number attend private schools, primarily church-affiliated; the balance attend a variety of BIA-financed schools: boarding schools on and off reservation, day schools, combination boarding/day schools and tribally controlled schools, including some that were once private. Between 5 and 10 percent of the children living in rural areas do not attend school, apparently to avoid leaving their families for boarding schools.

BIA shares the administration of most Office of Education programs serving Indians. For example, the Title I set-aside for BIA schools is transferred to a BIA-consolidated working fund for disbursement. In 1979 monies for nine programs will pass through this fund; most are education-related. For one program--vocational education--the set-aside is administered directly by USOE through contracts with tribes. The authorizing legislation for vocational education would require that the 1979 set-aside be matched by BIA and transferred to USOE, although the Appropriations Committees may not permit this transfer.

II. Problems and Opportunities

The following appear to be the major organizational problems in the area of Indian schools:

1. There is no comprehensive Federal strategy for Indian schools. Although a stated overall Federal Indian policy objective is to increase tribal self-determination, the tribe has little influence on the schools its children attend. BIA, USOE, State governments and local education agencies (LEAs) are the primary centers of power. The growth and character of schools for Indians will continue in large part to be financed through the Federal Government, whether those schools be BIA or public. Yet

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<sup>1/</sup> Excludes items not specifically labelled as "education," such as indirect costs, school construction and maintenance, and other support activities.



support for these schools is fragmented, with programs for both general types administered by both agencies. Coordination between the two agencies is minimal.

2. BIA has little influence on USOE policy. While \$20 million of Title I funds, \$5 million of handicapped-education funds and more will flow through BIA schools, BIA has little influence on the policies that shape these programs.
3. BIA has been severely criticized for its administration of some USOE programs, such as education of the handicapped, yet there is little that USOE can do to enforce its requirements.
4. BIA's internal administrative system makes the delivery of effective educational services very difficult. Critics charge that the current system delegates excessive power to BIA area directors, some of whom view education more as an administrative than a human problem. Centralized support systems make effective logistics difficult, and cumbersome Civil Service requirements, as well as the isolation of many schools, make the recruitment and maintenance of an effective teaching force difficult if not impossible.
5. The future of BIA boarding schools has not been clearly articulated. At present, the strict enforcement of compulsory education laws can result in a first-grade child being taken from his or her family if there is no nearby educational facility. It is alleged that this system promotes truancy among those children wishing to remain with their families. The present system needs to be more carefully reviewed to see if this disruption of families can be avoided, especially for grade-school children.
6. Despite statutory policy direction, there is little movement toward Indian community or tribal control over BIA schools. Present organizational and procedural structures place great obstacles in the path of self-determination. A community wishing to exercise more influence over its children's education faces a virtually insurmountable task.

### III. Assessment

Transferring the BIA schools would have the following potential advantages:

1. If the other BIA education programs (Johnson-O'Malley and continuing education discussed in Appendix 11) were also transferred, it would collocate all Federal Indian education programs, facilitating the development of a comprehensive Indian education strategy for the Federal Government.
2. It would permit better coordination and tracking of OE programs in BIA schools, although this could also be achieved by a requirement that the Department of Education periodically evaluate Federally operated schools.
3. It would facilitate the development of a coordinated data base to help evaluate the educational needs of Indian children.
4. If the BIA schools were transferred with proper precautions to safeguard Indian rights, the Department of Education would be more likely to respond to local tribes and communities and to set appropriate educational standards and curricula.
5. By facilitating coordination of policies guiding USOE and BIA construction programs, transfer could foster the more focused development of schools in currently underserved areas, thereby both decreasing the number of children taken from their families and encouraging greater participation in schools.

Transferring the BIA schools would have the following potential disadvantages:

1. It would take the programs out of BIA, an agency which Indians feel recognizes tribal sovereignty and the trust responsibilities of the Federal Government. Without great care being taken in the establishment of an Indian agency in the new department, adherence to these principles could be diminished.
2. It would create significant administrative problems. Eligibility definitions for the BIA and OE programs differ and are a major political issue. Indian preference in hiring, now applied only in BIA and the Indian Health Service, would have to be retained for these programs and probably applied to USOE Indian programs also. New arrangements for BIA logistical support of the schools would have to be developed.

3. It would separate the administration of BIA schools from the administration of other BIA-administered human resources programs. To the extent that potential opportunities for improved coordination exist among these programs, it would be lost. However, if the administration of both sets of problems is contracted to the tribes, this disadvantage would be eliminated.
4. Transfer would probably result in significant Indian political opposition, especially by the tribal leaders themselves.

18. Child  
Nutrition

Child NutritionI. Program Description

Agency: Food and Nutrition Service, U.S. Department  
of Agriculture

Budget: FY 1979 budget request:

National School Lunch	1.806 million
School Breakfast	217
Special Milk	30
Child Care Food	130
Summer Food Service	149
Commodity Distribution	564
Administrative and Equipment	
Assistance	45
Federal Administration	17
	<u>\$2.958 billion</u>

Personnel: 600

Note: The Special Supplemental Food Program for Women, Infants and Children (WIC) program, which is authorized under child nutrition legislation and administered by the Food and Nutrition Service, is not considered a candidate for transfer to the Department of Education. This program provides nutritional supplements to pregnant and lactating women and their children and is administered by State health departments.

These programs provide cash and commodity assistance to participating schools and institutions for meals served to children. Assistance is provided on a "performance" basis: that is, participating schools and institutions receive a fixed reimbursement payment for each meal served. To be eligible for Federal reimbursement, meals must conform to Federally prescribed meal patterns. Additional Federal reimbursement, which covers almost the entire cost of producing a meal, is provided for meals served at no or nominal cost to needy children. Because almost three-quarters of the Federal expenditure toward these programs subsidizes meals served to needy children, the programs are classified as income security programs in the budget.

The programs are all funded through State education agencies (SEA's), although considerable administrative activity is carried on outside the education system (e.g., in day care centers, orphanages, summer camps). SEA's function primarily as conduits for Federal funds with respect to these programs; they have considerable responsibility for monitoring and technical assistance, but little policymaking responsibility. Administration of these programs within an SEA is carried out by a separate child nutrition unit which has little contact with other parts of the SEA.

Federal expenditures for these programs have increased almost sixfold over the past decade, with most of that increase consisting of cash. The importance of Federal commodity donations to the programs has diminished in recent years, as cash subsidies have increased and as periods of relative food scarcity have decreased surplus commodity stocks.

## II. Problems and Opportunities

1. Child nutrition programs have never been well accepted by the education establishment. Many educators view the responsibility for feeding children as alien to the responsibility for educating them.
2. Child nutrition programs have received uneven support and treatment from USDA officials in the past. The programs have been in USDA since their inception thirty years ago. USDA officials in the Nixon and Ford administrations treated the programs largely as "unwanted stepchildren." Current USDA officials, however, enthusiastically support these programs and consider them vital elements of USDA. Secretary Bergland and his staff argue that these programs "balance" USDA by providing a consumer focus to offset the strong producer orientation of other USDA programs.
3. Commodities selected by USDA for distribution through the programs may not be particularly desirable from a nutritional standpoint, as GAO and others have noted. This problem is probably attributable more to conflicts in the programs' two legislative objectives (safeguarding children's health and removing agricultural surpluses) than to administrative decisions regarding commodity selection. Therefore, transfer of these programs may affect this problem only marginally.

4. There are some coordination problems between USDA's child nutrition programs, on the one hand, and HEW's education and human development programs, on the other. However, these problems are generally minor. The greatest opportunities for improving coordination exist between the nutrition and human development programs (Head Start, Title XX social services).

### III. Assessment

Transferring the programs would have the following potential advantages:

1. Child nutrition programs as well as nutrition education programs (described in Appendix 8) would widen the focus of the Department of Education and give added force to the movement that encourages educators to see the solutions to problems of learning in a broader perspective.
2. Transfer could give the child nutrition programs new legitimacy in the eyes of State and local education officials. Some program administrators point to location of the programs in State education agencies as contributing to acceptance of the programs by educators at the local level. Location in a Federal education agency could enhance this acceptance.
3. Transfer to a Department of Education that included human development programs for children would facilitate coordination between nonschool-based child nutrition programs and human development programs.
4. Transfer would increase opportunities for simplification and standardization of administrative requirements between child nutrition programs and education programs. However, differences in these requirements are not now seen as creating significant administrative problems.
5. Transfer might give greater independence to Federal child nutrition program administrators in selecting commodities for distribution, thereby improving the nutritional value of the commodities.

The following are seen as potential disadvantages of transfer:

1. Location of the programs in the Department of Education could result in nutrition interests being subordinated to education interests. Historically, these feeding programs have received very limited support from educators.

2. Transfer of the programs from USDA would narrow the focus of that department and could lead to food producer concerns dominating concerns of consumers. Increasing the responsiveness of USDA to consumers is a mission that the department has been actively pursuing under this Administration.
3. Transfer of the child nutrition programs at this time to the Department of Education could preempt recommendations of the Human Services Study and the Food and Nutrition Policy Study, both now underway in the President's Reorganization Project.
4. There is considerable political opposition to transferring these programs. Child nutrition advocacy groups, the Senate Agriculture Committee, the school food service worker's association and USDA officials all oppose transfer.
5. The strong political support that these programs have traditionally enjoyed from conservative agriculture-oriented legislators would be jeopardized by moving the programs out of USDA.
6. Transfer could cause coordination problems between USDA and the Department of Education involving selection and distribution of commodities donated by the Federal government to the programs.

In summary, we find few compelling arguments for or against transfer of the child nutrition programs into the Department of Education. The programs are not central to the mission of either USDA, as currently structured, or the proposed Department of Education and can thus serve to broaden the focus of either department. The possibility that transfer of the programs at this time will preempt recommendations of either the Human Services Study or the Food and Nutrition Policy Study argues for deferring a decision about transfer of these programs. This latter study, in particular, should provide sufficient information for us to assess the relative value of these programs to USDA and to the Department of Education.



19. Internal  
Structure

## INTERNAL STRUCTURE OF THE DEPARTMENT OF EDUCATION

We have not yet devoted a great deal of attention to the internal structure of the department since our principal effort has been to define its purposes, scope and content. Your decisions on these issues will enable us to proceed with a thorough examination of the important structural issues.

Senator Ribicoff's bill does raise several structural issues, however. Rather than address specifically these issues at the April 14 hearings, we intend to suggest some general principles and to submit more detailed information in several weeks before a bill is marked up.

Consequently, we are not requesting decisions on structural issues at this time. This appendix simply identifies and discusses six issues we believe should be considered. They include:

- I. Mechanisms to improve intergovernmental relations.
- II. Interagency coordination.
- III. Internal organization.
- IV. Safeguards to assure the integrity of transferred programs and affected agencies.
- V. Mechanisms for encouraging public involvement.
- VI. Oversight of education programs not in the department.

## I. IMPROVING INTERGOVERNMENTAL RELATIONS

This section describes one mechanism for improving intergovernmental relations. It would support the department's goals of strengthening State and local capacities to provide education and of establishing a partnership among different levels of government to improve the quality of education.

Various advocates of a Cabinet-level Department of Education have proposed establishing a department-wide, highly visible advisory commission. These proposals have three principal goals:

- ° To increase the influence of the department by bringing prestigious and knowledgeable citizens together to provide a voice for educational needs in general and departmental policies in particular.
- ° To buffer the department from political considerations and short-term policy fluctuations.
- ° To represent a variety of educational interests.

To some extent, advisory commissions parallel local and State education agencies with administration guided by policies set by independent citizens without being influenced by political parties or political issues other than education.

### A. Underlying Principles

Unlike many Federal program areas, most education policies depend for their effective implementation on State, local and private agencies. Thus, good intergovernmental relations are essential to carrying out effectively the Federal role in education.

Many intergovernmental relations problems reflect genuine value conflicts between the Federal Government and State, local or private agencies. Other problems, however, derive from Federal policies and procedures that reflect insufficient awareness of and sensitivity to State, local and private needs and capabilities.

The Intergovernmental Council we recommend below would increase the visibility of intergovernmental issues and would provide a mechanism through which the perspectives of State, local and private education agencies can be represented.

B. The Ribicoff Bill

S.991 creates a National Advisory Commission on Education (NACE). We are considering, instead, the creation of an Intergovernmental Advisory Council on Education.

S.991 gives a very broad mandate to the NACE. The first three of nine duties enumerated in the Ribicoff bill indicate the broad scope of the Commission's activities:

- ° Assist the Secretary in the formulation of Federal policy with respect to the appropriate role of the Federal Government in each action.
- ° Review the administration and operation of, and general regulations for, Federal education programs.
- ° Advise the Secretary and other Federal officials with respect to the educational needs and goals of the Nation and assess the progress of the renewal of appropriate agencies, institutions, and organizations of the Nation in order to meet those needs and achieve those goals.

The NACE proposal has several disadvantages:

- ° While the NACE might increase the visibility given to educational issues, it would undermine the leadership role of the Secretary of Education and confuse the public, which is more accustomed to a school board model of education governance. The more prestigious and influential the members of the NACE, the more likely this would be.

- ° If the NACE results in insulating educational issues from "politics" as well as other policy priorities, as many of its proponents argue, it would also reduce opportunities for holding Federal administrators and policymakers accountable and would impede interagency coordination.
- ° While the language of S.991 is somewhat ambiguous, individuals with "demonstrated commitment," "competence," and "experience" would be likely to be education professionals. If so, the Commission's membership would depart from the more varied composition of most public commissions and boards. Moreover, a commission of distinguished citizens would probably be perceived as a sort of national school board toward which the Secretary of Education should show considerable deference.
- ° The NACE would not be likely to provide increased access to Federal policymaking for unrepresented interests.
- ° The NACE would tend to advocate a more extensive role for the Federal Government in educational policymaking because of an almost unlimited mandate, the lack of a specific constituency, and the likelihood that interest groups who were otherwise unsuccessful in attaining their goals would turn to the NACE for assistance.

Therefore, we think that the NACE would not make a significant contribution to improving intergovernmental relations and thus to enhancing significantly the effectiveness of Federal efforts to increase access to and excellence of educational opportunities.

#### C. Proposal for an Intergovernmental Advisory Council on Education

An alternative proposal is to establish an Intergovernmental Advisory Council on Education. The major difference between the NACE and our proposal is that the latter is designed to strengthen the intergovernmental system for the development and implementation of education policies.

# 1. Purposes of the Intergovernmental Council

The mandate of the Intergovernmental Council should be narrow enough to make it clear that the Commission should not become involved in all policymaking or operating decisions of the department. Taking the mandate of the Advisory Commission on Intergovernmental Relations (ACIR) as a model, the purposes of the Intergovernmental Council might be:

- ° To bring together representatives of Federal, State and local governments for the consideration of common problems.
- ° To provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation.
- ° To give critical attention to the conditions and controls involved in the administration of Federal grant programs.
- ° To make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system.
- ° To encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation.
- ° To recommend the most desirable allocation of governmental functions, responsibilities and revenues among the several levels of government and private institutions.
- ° To recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the

levels of government and between government and the private educational systems and to reduce the burden of compliance for taxpayers.

The composition of the Council should also mirror to some extent that of the ACIR, with appropriate modifications to allow for representation of the education community, especially private education institutions. ACIR is a 26-member, bipartisan body. Members serve for two years and may be reappointed. Nine of its 26 members represent the Federal Government, 7 represent State government, 7 represent local government, and 3 represent the general public. Of these, 20 are appointed by the President; 3 are U.S. Senators appointed by the President of the Senate; and 3 are U.S. Representatives appointed by the Speaker of the House.

The noncongressional appointments to the Council should be made by the Secretary of Education instead of the President and should consist of 3 private citizens (who could include parent and student representatives); 3 officers of the Federal executive branch; 4 governors; 3 State legislators; and 4 mayors.

In addition, ACIR requires that Federal, State and local legislators be bipartisan representatives.

The Intergovernmental Council should have fewer representatives of government than ACIR to allow for representatives of local and State education boards and agencies and private education. The Council membership should reflect the general and educational governance structure for education. It would be a forum for representation of all three levels of government.

## 2. Advantages of the Intergovernmental Council

The Intergovernmental Advisory Council on Education would have the following advantages. It would:

- ° Give more visibility to intergovernmental issues and greater access to policymaking for representatives of State, local and private education than would the NACE proposal.
- ° Assure that Council members come to the Council cognizant of their primary roles as representatives of agencies responsible for education policies or programs.
- ° Avoid the possibility that members would see themselves and be viewed as a national school board.
- ° Serve to allay fears that the new department would become a "Ministry of Education" or otherwise increase Federal control over matters that are now the prerogative of State, local or private institutions.

### 3. Disadvantages of an Intergovernmental Council

The Intergovernmental Advisory Council on Education would have the following disadvantages:

- ° It would become unwieldy because of its large size.
- ° It could have difficulty in keeping the Federal role from growing without decisionmaking responsibility.
- ° Diverse constituencies could make consensus decisionmaking difficult.



## II. INTERAGENCY COORDINATION

Regardless of which option for the Department of Education is chosen, the need to coordinate education and education-related programs in other departments and agencies will remain.

There is currently a Federal Interagency Committee on Education (FICE). It was established in 1964 by executive order to facilitate coordination of education activities. The representatives from 30 agencies meet once a month to exchange information, resolve common problems, reinforce each other's activities, receive briefings on major issues, review reports and recommendations of subcommittees and develop a coherent approach to Federal education programs. Where appropriate, advice and recommendations are transmitted to the Secretary of HEW and to the heads of agencies for implementation.

Subcommittees and other working groups are appointed as needed by FICE. A FICE staff, headed by an executive director and attached to the Office of the Assistant Secretary for Education, provides administrative and other support for the Committee. The FICE staff also works closely with subcommittees and working groups.

Recent experience with FICE has shown that there are a number of issues which could be suitably handled by coordination:

- ° Crises. Crises are, by definition, events for which adequate preparation was not or would not have been made. Crises which require a multifaceted Federal response must be handled by coordination.
- ° Communication. Information which involves little or no cost or which is in the interest of the sharing agency will be shared. Coordinating committees including FICE generally receive highest praise for this function.
- ° Ad hoc problems. Coordinating councils must occasionally be used for ad hoc problem solution. Again, as in the matter of crises, an organizational response is not possible.

- ° Policy formulation. Coordinating councils can be useful for policy formulation since they represent a forum at which diverse agency interests can be presented.

Similarly, FICE has demonstrated that certain kinds of issues cannot be coordinated easily:

- ° Eliminating duplication. Although a coordinating committee will frequently be called upon to remove unnecessary duplication, the authorizing legislation mandates two or more agencies to have jurisdiction over a single activity. In this situation, only new legislation can resolve the issue.
- ° Threatening coordination. Agencies will not happily engage in coordination which threatens their own vitality or reflects poorly on them. Again, agencies cannot violate their own authorizing legislation.
- ° Policy implementation and evaluation. These are activities which require a hierarchical structure; as such, they are not appropriate for coordinating councils.

Some issue areas which could benefit from coordination include:

- ° Education and human development.
- ° Education and work.
- ° Status of research universities.
- ° Student assistance.

The Ribicoff bill would establish a Federal Interagency Committee on Education chaired by the Secretary of Education. It would include the Departments of Health and Welfare, State, Commerce, Housing and Urban Development, Labor, Agriculture, Defense and the National Science Foundation and the National Aeronautics and Space Administration.

Although we have no recommendation on interagency coordination at this time, our current thinking would lead us to propose retaining FICE in the bill under the chairmanship of the Secretary of Education. Further consideration of an expansion of functions and membership will be undertaken in light of the decision on the scope of the new Department of Education.

### III. INTERNAL ORGANIZATION

This section describes issues involved in designing the internal structure of the Department of Education. The Ribicoff bill defines general offices of assistant secretaries in the department at the staff and support levels.

On the basis of other Reorganization Project dealings with the Congress, Congressional testimony of interest groups in favor of an Education Department, and Government Operations Committee oversight authority for executive-level positions, we can expect that the bill will contain specific administrative and organizational requirements. The final bill is likely to spell out the number, type and titles for executive-level officials. Consequently, the Administration will need to develop a set of principles for internal structure, as well as a model organizational chart, to transmit to the Senate Governmental Affairs Committee. Simultaneously, we should seek to preserve some flexibility for the Secretary to design the department to meet changing priorities.

In the short run, the internal organization of the Education Department should be guided by four key principles that will enable the department to meet its goals:

1. Programs which serve similar functions or target groups should be grouped together to emphasize needed internal and external linkages.
2. Increased visibility should be provided for programs located outside HEW's Education Division that will be transferred to the new department in order to maintain their separate identity and mission in the Education Department.
3. Programs should be transferred intact to the new department in order to minimize disruptions in the programs.
4. Opportunities for moving additional programs to the department in the future should be retained.

These guiding principles should be applied in conjunction with Administration and Congressional concerns for improved internal management, better intergovernmental relations and a clear understanding of the department's leadership role.

S. 991 specifies the following nine executive-level officials:

Secretary for Education (Level I)

- . Supervises and directs the Department

Under Secretary (Level III)

- . Duties as assigned by Secretary

Assistant Secretaries

- . Legislation and Public Affairs (Level IV)
- . Administrative and Management Policy (Level IV)
- . Evaluation and Planning (Level IV)
- . Intergovernmental Relations (Level IV)

General Counsel (Level IV)

Office of the Inspector General

- . Headed by an Inspector General (Level IV)
- . Includes a Deputy Inspector General (Level V) and Assistant Deputy Inspector General
- . Responsible for investigations, internal and external audits, preventing fraud and abuse of Federal programs.

Our major concerns with internal structure outlined in S. 991 are the absence of assistant secretary positions for major program area responsibilities and too many assistant secretary positions for staff-level functions. However, there may be enough latitude within the total number of Level IV assistant secretaries, to create program area assistant secretary positions by reducing the number of staff assistant secretary positions.

Executive-level IV positions seem appropriate for these program area and staff responsibilities:

- . Elementary and Secondary Education
- . Postsecondary Education
- . Programs for Handicapped Individuals
- . Youth Programs
- . Inspector General
- . General Counsel

Four executive level V positions can be justified on the basis of size, complexity and need for organizational visibility. These positions would be responsible for Research and Innovation, Management and Budget, Office for Civil Rights, and Legislation and Intergovernmental Relations.

If a broadly based department as proposed in Option II is adopted, two additional executive-level V positions may be required for Early Childhood Programs and selected Indian education programs from the Bureau of Indian Affairs.

Including the Secretary, Under Secretary, General Counsel and Inspector General, we conclude that between 12 and 14 executive-level positions are warranted. Currently, however, only three executive level positions exist in the Education Division of HEW. In summary, it will be necessary to recommend certain amendments to the bill to authorize the Secretary to establish the staff and program assistant secretary positions he or she wishes and to redefine the designated assistants and additional positions if a broad department is recommended.

These changes will involve certain additional costs for those positions and functions not now existing in the programs to be transferred. Some positions will also be obtained from the overhead functions of departments from which programs are transferred. Some functions of the transferred programs will also be consolidated and certain savings effected, e.g., by merging the policy planning staffs of the HEW Assistant Secretary for Education and the Commissioner of Education. The additional start-up cost of establishing the new department will be approximately \$7 million.

#### IV. PROVIDING SAFEGUARDS FOR TRANSFERRED PROGRAMS

Some of the programs and functions considered for transfer to the Department of Education (e.g., Office for Civil Rights, Head Start) have missions that should remain independent and insulated from the management of the traditional education programs. In these cases, it is important to provide adequate safeguards to protect the character of the transferred programs. While the possibility of building in such protections is not addressed in S. 991, we think that a clear recognition at this time of the importance of such an approach may be necessary to help allay the substantial concerns of affected programs and their constituent groups. Moreover, interest group opposition to transferring some programs which they fear will be subsumed by the "education establishment" could expand into opposition to the creation of a Department of Education.

A variety of mechanisms exist to achieve this end. Our intention to provide such safeguards can be emphasized in our testimony at the time of Committee markup, as well as in our legislative proposal.

A sample of such devices, followed by examples, include:

- ° Testimony that becomes part of the legislative history and can be used to establish Congressional intent, e.g., It is our intention in creating this department that Head Start should remain a separate organizational entity with its current program focus unchanged.
- ° Specific language and provisions in the authorizing legislation regarding, for example:
  - Reporting relationships, e.g., the Director shall report directly to the Secretary.
  - Organizational relationships, e.g., the Assistant Secretary shall be responsible for nutrition education and school-based feeding programs.
  - Grade structure, e.g., the head of the Office for Civil Rights shall be an Executive Level III.
  - Separate annual reports, e.g., the President shall transmit to Congress the director's report.

- Specific details on the management of the program, e.g., a specified percentage of all grants must be made to community-based organizations.
- Mandating coordinating relationships, e.g., the program director and the heads of affected agencies shall be required to meet a certain number of times each year.

In addition, there are more informal coordinating relationships that are less restrictive for future policymakers and that can be offered as assurances by the President or his representatives as being implicit in our concept of the department, e.g., It will be our policy for the Secretary to consult with the Head Start Parents' Organization before issuing regulations. Or, alternatively, it is our intention to appoint food service professionals to positions of leadership in the new department.



## V. PUBLIC INVOLVEMENT IN EDUCATION

A growing body of research indicates the importance of public, and especially parental, involvement in educational programs as an important means of enhancing the responsiveness and effectiveness of schools. As a result, an increasing number of educational programs now require parental or public involvement. However, these requirements are often only fulfilled sporadically and there continues to be widespread criticism of the propensity of most professional educators to avoid seeking public participation and to deny its legitimacy and usefulness. Studies of the role of nonprofessionals in education policymaking bear out these concerns.

There are two possible approaches to increasing public participation in education:

- . Assigning government-wide responsibility to one agency for monitoring public participation in all Federal domestic programs.
- . Creating an Office for Public Involvement in the Department of Education.

These strategies are not, of course, mutually exclusive.

There now exist many statutory provisions and guidelines governing citizen participation affecting, for example, programs for handicapped children, vocational education, and in the formulation of remedial plans for school desegregation. However, there is no coherent policy and no consistent enforcement of the provisions.

An Office for Public Involvement, whose director would report directly to the Secretary of Education, offers an opportunity to focus major attention on public involvement issues in education. The office could:

- . Monitor all provisions for citizen and parent involvement in Federal education programs.
- . Assess the effectiveness of various public involvement strategies.
- . Provide technical assistance to agencies seeking to enhance public involvement or gain its acceptance by educators.
- . Encourage all relevant programs to develop materials designed for parents and to provide technical assistance for parent/citizen organizations in collaboration with them.

Some advantages of this proposal

- . A visible, high-level official would signify the importance of public and parental involvement in education.
- . There would be a single office responsible for monitoring and orchestrating parent/citizen participation policy.
- . This approach would stimulate further development of new initiatives for parent/citizen participation and policies tailored for each program.

Some disadvantages of this approach

- . Without strong support from the agency director, the office could become isolated and ineffective.
- . Creation of the office might lead program officials to "pass the buck" on public and parent involvement issues.

Since the Office for Public Involvement would be a new concept, it should be subject to a three-year sunset provision with renewal required by Congress.

## VI. OVERSIGHT OF PROGRAMS OFFERING DIRECT EDUCATIONAL SERVICES

In addition to the interagency coordination functions of FICE described in section II, the department should assume a vigorous role in monitoring and evaluating all direct educational services offered by the Federal government, as well as certain major Federal activities which have a direct impact on Federal educational policies and educational institutions. Annual or periodic evaluations of the effectiveness of educational programs sponsored by the Departments of Defense (DOD schools for children of Americans abroad), Interior (Bureau of Indian Affairs schools on Indian reservations) and Justice (schools in Federal correctional facilities) are among those Federal services which would benefit from an ongoing overview by professional educators and evaluation experts in the Department of Education.

Others include non-departmental direct services programs for the handicapped, support for instructional technology applicable to schools and colleges, and adult and continuing educational programs which promote professional development. The monitoring would not only include evaluation studies designed to determine the impact of these programs, but it would involve various technical assistance and dissemination functions which would be aimed at improving the quality and success of both innovative and ongoing programs. The Department of Education would, in effect, become a valuable resource for disseminating information among the various Federal agencies on educational and training programs that have proved effective for particular types of students, whether adults, young students or special learners requiring special diagnostic or prescriptive educational services.

Much of the oversight and monitoring responsibility of the department can be accomplished by Executive Order, but some of these functions may have to be mandated by legislative authorization.

20. Agency  
Comments



NATIONAL SCIENCE FOUNDATION

WASHINGTON, D.C. 20550



OFFICE OF THE  
DIRECTOR

April 10, 1978

President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

I agree with your view that a Department of Education could enhance the ability of the Federal Government to serve the cause of quality education for all of our citizens.

Given a well-conceived plan for a Department of Education, an argument can be made for transferring the National Science Foundation's (NSF) Science Education programs to that department. However, the new department, as proposed by the Reorganization Committee, does not have a discernible rationale and does little more than add the science education programs of NSF to the general education programs of HEW. Such a department would not provide effective management for science education activities. I urge you to reject the Reorganization Committee's recommendations regarding the transfer of NSF programs for the following reasons:

- ° NSF's Science Education programs are highly specialized activities and qualitatively different from the education programs of HEW. If NSF's Science Education programs are kept intact in the new department, they will form an anomalous unit that will be too small to be effective (less than 1/200 of the department's budget); if instead they are dispersed throughout the new department, they will lose their identity and effectiveness.
- ° Science Education at NSF, though relatively small (about \$78 million or 1/12 of the NSF budget), continues to have an enormous impact on the quality of American education. This is because of the thorough integration of NSF's education programs with its research activities and because science education at NSF attracts and encourages the Nation's best scientists to become active in education. Uncoupling science education and scientific research would have a negative effect at all levels -- elementary schools, high schools, and colleges.

For these reasons, the National Science Board joins me in strongly opposing the transfer of the NSF Science Education programs to the proposed Department of Education.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Dick', followed by a horizontal line.

Richard C. Atkinson  
Director

cc: Dr. Frank Press





THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

APR 10 1978

Honorable James T. McIntyre, Jr.  
Director  
Office of Management and Budget  
Washington, D. C. 20503

Dear Mr. McIntyre:

I have reviewed the proposal for the Department of Education, and I wholeheartedly support the concept of this new Department. Improving the quality of education is one of the country's greatest needs, and I believe that this consolidation of education activities will make Federal programs more effective. If I can assist the Administration in gaining Congressional approval of this proposal, I will be glad to do so.

Specifically relating to HUD, there is only one program scheduled for transfer -- the College Housing Program. I have no objections to this proposal.

Sincerely yours,

Patricia Roberts Harris



Health, Education and  
Welfare



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D. C. 20201

April 11, 1978

MEMORANDUM FOR THE PRESIDENT

Subject: The Administration's Proposal for a Cabinet-Level Department of Education

This responds to Jim McIntyre's request for comment on the Administration's proposal for a Cabinet-level Department of Education, which will be unveiled in testimony before Senator Ribicoff's Government Operations Committee on Friday, April 14.

The draft proposal advanced for your consideration includes practically no consolidation of the vast array of the Government's education, and education-related agencies and programs, beyond those that have already been consolidated within HEW's Education Division. As a result, it does not speak to the themes of agency and program consolidation and organizational clarification you articulated during the campaign, and will draw criticism as narrow in concept and constituency. As the OMB analysis indicated earlier, HEW's Education Division accounts for less than half of the Federal Government's total educational commitment.

The proposal fulfills the letter of the commitment made during the campaign, but continues to lack strong complementing organizational and programmatic rationale. Politically, these deficiencies may not be fatal. The OMB staff analysis has fairly identified the hard political obstacles to constructing a more comprehensive, more broadly based Cabinet-level organization under the "Department of Education" banner. But the proposal's weaknesses are obvious.

At this stage, I believe comments may be helpful concerning three Presidential decision choices that are highlighted in the OMB paper:

1. Head Start and Handicapped Programs

I strongly support the tentative recommendation of the Vice President, of White House and of OMB staff that the Administration recommend against transfer of the Head Start and Handicapped programs to the proposed new Department.

## 2. Civil Rights

The proposal for a separate Department of Education creates hard problems concerning the proper future location of the government's education-related civil rights enforcement functions, now in HEW's Office for Civil Rights (OCR). If these responsibilities are transferred to the new Department, as the OMB staff paper recommends, there is real danger that civil rights needs will be subordinated to bureaucratic educational pressures. Many committed to civil rights will so testify -- and rightly so, on the basis of my experience -- mobilizing evidence from the middle 1960's experience in HEW when civil rights responsibilities were organized under the Commissioner of Education, and from other government departments too.

For these reasons, I recommend against the immediate transfer of civil rights responsibilities to the new Department. This organizational decision ought to wait upon the final design of the Department that Congress approves, the identity of your new Education appointees, and completion of the ongoing OMB study addressing all options for the proper organization of civil rights responsibilities on a government-wide basis.

## 3. Consolidation of Youth Training and Service Programs

Unless there is active leadership for this objective by key Members of Congress, and support from organized labor, I would dissent from the tentative recommendation to transfer and consolidate in the new Department the youth training activities in the Department of Labor and several youth service programs, including HEW's Runaway Youth Program. The HEW Runaway Youth Program has nothing to do with schools. It is social service oriented.

Without these conditions present, this recommendation threatens your basic organizational objective by attracting opposition that would not otherwise be active.

### Head Start and Handicapped Programs

The recommendations against inclusion of Head Start and Handicapped programs in the new Department is sound.

While these programs address educational needs of many whom they serve, their defining purpose is the broader development of people with the complex problems that result from economic disadvantage and disability. Moreover, the needs of special populations, especially those seen as on the negative side of the spectrum (the poor, the mentally retarded, the delinquent, the emotionally disturbed, under achievers) have traditionally been viewed by educators as a social welfare responsibility, related but basically outside their interests.

Education is far too narrow a focus for rehabilitation services. Vocational Rehabilitation (VR) focuses on individuals unable to cope by reason of impairment, handicap, or disability. Historically, VR has been most concerned with inability to work and earn; lately, its concern has expanded to include some who might never be expected to work but who might learn to live more "independently." In short, the term "rehabilitation" implies a deficit of capacity and experience which demands attention to uncommon social, physical, mental health and economic barriers. Approximately one-half of rehabilitations are for mental health problems.

The aim of rehabilitation is the ability to work and/or live independently. Education is only one of many means used to reach that end. Probably most important is effective counseling that inspires realistic personal goals and maintains the confidence of the client and the family.

Head Start and Handicapped programs emphasize linkages of health, nutrition, income security and related family and community based social services. These linkages have not, as you know, been in evidence on the agenda of traditional educational interests.

Head Start and the family of Handicapped programs also have systems for the delivery of services that are quite distinct from established intergovernmental channels of educational assistance. Vocational rehabilitation

agencies and agencies for the blind, for example, are currently organizationally independent of educational organization in most States and territories. And Head Start employs a delivery system that involves a wide range of public and non-profit service agencies in municipalities and neighborhoods.

Especially in the case of Head Start, advocates of children's needs believe deeply that the distinctive attributes of the program, especially parental involvement, and flexible options for the involvement of many community-based agencies in the delivery of services will be jeopardized if the program becomes the responsibility of a Department organized to advance and protect the needs of Education (i.e., educational institutions, education interest groups, and educational personnel). Your staff has properly underscored the intense political opposition that child-advocacy groups, nationally-recognized leaders of minority groups, and many interested in issues of civil rights will mount against the separate Department if the Administration recommends the transfer of Head Start.

#### Future Organization of Education-Related Civil Rights Functions

The creation of a separate Department of Education necessarily surfaces for decision the proper, organizational location of HEW's Office for Civil Rights, an agency predominantly engaged in administrative enforcement of individuals' rights in the sphere of Education. Since shortly after the enactment of the landmark Civil Rights Act of 1964, the federal government's major educational assistance programs, and its education-related civil rights obligations have been organized parallel to, but independent of one another, under the common authority of the Secretary of HEW.

When national Administrations have evidenced a commitment to Human Rights, as with President Johnson in the 1960's, and under your leadership over the past 15 months, Civil Rights leaders have felt confident that civil rights problems would receive fair consideration and just decision at the Cabinet level of the Executive Branch.

A decision to include Civil Rights enforcement functions in a Department of Education will predictably cause unease in leaders and groups predominantly concerned with the federal commitment to this area. Many will feel that a Secretary of Education, chosen inevitably to speak for Education and promote educational concerns, will face severe organizational and political limits to his or her capacity to hear fairly and decide wisely when educational and civil rights interests collide. I also believe that many civil rights leaders, and many in Congress, will resist the transfer of OCR, and oppose the new Department itself as the result of these fears.

There is no obvious answer to the organizational problem that a separate Department of Education creates in this sensitive area. In the long run, it clearly does not make organizational sense to sustain the education-related functions of OCR as a continuing element of HEW. In my view, the proper longer-run organizational choice is almost certainly between folding them into the new Department, or transferring them to an independent, free-standing civil rights agency built around the base, perhaps, of a revived and restructured Equal Employment Opportunity Commission (EEOC).

My feeling, in short, is that the decision here is programmatically and organizationally complex, and exceedingly sensitive politically. I do not believe the analysis before you adequately assesses present and future organizational alternatives, or adequately identifies the risks of an immediate recommendation to your basic organizational goals. In contrast to the OMB staff recommendation before you, I recommend testimony along the following lines:

- The Administration does not support the immediate transfer of OCR's educational functions to the new Department;
- The Administration contemplates maintaining these functions temporarily in what is now

HEW, but has begun planning for near-term organizational re-alignment;

- Within 6-12 months of the enactment of legislation creating the new Department, the Administration will advance proposals to transfer the education-related functions of OCR, in the context of the design for the Department of Education that Congress has approved, and your already active study of civil rights organization on a government-wide basis.

### Youth Services and Training Programs

If it were clear that the Administration could establish in the Department of Education (or elsewhere) a youth services program that would consolidate the currently scattered family of youth programs in the Executive Branch, I would readily concur in the tentative OMB staff recommendation to transfer the Runaway Youth program from HEW.

The Youth Agency worth working for would include the youth training functions from the Department of Labor, the juvenile justice program in the Department of Justice, and the service learning program of ACTION, in addition to Runaway Youth.

If there is evidence of Congressional support to move the youth training programs out of the Labor Department, and a willingness on the part of organized labor to accept these changes, you would derive clear advantages in broadening out what continues to be a new Department of very narrow political constituency and program mission.

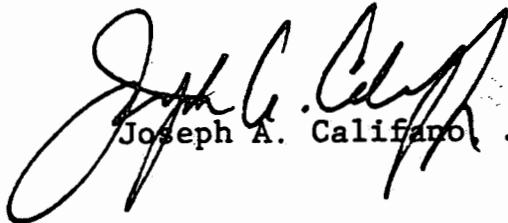
The staff analysis before you suggests, however, that organized labor will vigorously oppose the transfer of the youth training and development activities that would constitute the heart of the proposed youth agency, and that would, indeed, add an important dimension to the new Department as a whole. If this represents the political outlook, I do not see any demonstrable advantage in shifting problems of program relationship and coordination around from existing departments to the new one.

Reorganizing the Government's Student Financial Aid Program

I readily support transfer of all of the student assistance programs presently organized within HEW as part of the Bureau of Student Financial Aid in the Office of Education. I also support the OMB staff recommendation to consolidate the Health Professions Student Loan Program and the Nursing Loans and Scholarship Program in the student assistance arm of the new Department.

I believe further that the transfer and consolidation of an even broader collection of student financial assistance programs across the government would strengthen the rationale and support for the new Department. In Appendix 9, OMB staff have identified 55 student aid programs that are administered by departments and agencies other than HEW. For reasons that are not stated, only 2 of these 55 programs have been recommended for inclusion in the new Department.

The Administration is certain to be questioned closely, in this and other areas, as to why more extensive transfers and consolidations of education-related responsibilities have not been recommended. Much more can be done in the area of student aid.

  
Joseph A. Califano, Jr.




Agriculture



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20250

10 APR 1979

TO: James T. McIntyre, Jr.  
Director, Office of Management and Budget

FROM: Bob Bergland   
Secretary of Agriculture

RE: Comments on Options Paper on Programmatic Content of a New  
Department of Education, for Consideration by the President

The OM3 options paper concerning the proposed Department of Education involves components of the Department of Agriculture in three areas: (1) the U. S. D. A. Graduate School, (2) the nutrition education programs which are authorized by child nutrition program legislation, and (3) the child nutrition programs.

Department of Agriculture Graduate School

As indicated by Tab 4 of the options paper, this institution has functioned successfully in association with the Department of Agriculture. The continuing education program of the Graduate School has maintained a pragmatic focus, and this practical orientation of the curricula is reinforced by its location in a Department which has numerous operational programs and responsibilities. That orientation might be difficult to sustain in a department which otherwise has essentially no operational responsibilities or tradition.

On the other hand, the Graduate School would share the basic educational mission of a Department of Education, and could contribute substantially to such a department by giving it an adult and continuing education dimension. The fact that the faculty and students of the Graduate School are drawn from throughout the government is perhaps also reason to relocate the school in a department centrally concerned with education.

I therefore would not be opposed to the transfer of the Graduate School to a new Department of Education, if that is considered the proper course based upon a thorough examination of the question. I wish to reiterate my support for the Graduate School, and my commitment to maintain it as a first-rate institution if it remains associated with the USDA.

Nutrition Education Programs Authorized by Child Nutrition Legislation

Although nutrition "education" programs ostensibly would share the same mission with a new Department of Education and arguably should be transferred, I think that it would be a mistake to do so. USDA has always had a broad role in nutrition education. Recent legislation and the Department's FY 1979 budget request have expanded that role even further, and focused the Department's activities on several specific areas of concern:

- Section 1425(a) of the Food and Agriculture Act of 1977 requires the Secretary of Agriculture to disseminate the results of food and human nutrition research through a national education program.
- Section 1425(b) of the Food and Agriculture Act of 1977 provides specific legislative authority for the Expanded Food and Nutrition Education Program. Under this program, the Department spends over \$50 million per year providing intensive nutrition education services to low income families.
- Public Law 94-105 enacted in October 1975 allows States to provide nutrition education services with Federal funds provided for program administration in the Special Supplemental Food Program for Women, Infants and Children. During fiscal year 1978, this education component will spend about \$5.7 million supplementing the food benefits provided to those most susceptible to malnutrition.
- As discussed in the nutrition education section (Tab 8 of the options paper) Section 19 of the Child Nutrition Act requires the expenditure of about \$26 million for nutrition education and training for children and food service workers in schools and child care institutions. This program was established by P.L. 95-166 enacted last November and is just getting off the ground.
- Title XIII of the Food and Agriculture Act of 1977 requires the Department to provide nutrition education materials to food stamp households. While the Department has provided some assistance in the past, this will involve a substantial effort to assist food stamp recipients to make the best use of their food purchases.
- Section 1426 of the Food and Agriculture Act of 1977 requires the Department to provide nutrition education material to State Education agencies.
- In cooperation with State extension services, the Department endeavors to acquaint the general public with basic information on nutrition topics and the results of new research. This includes the distribution of publications and public T.V. announcements.
- The Department approves nutrition labels for meat and poultry products to ensure that they are comprehensible and inform the public of the ingredients. At over 5,000 meat and poultry processing plants across the country, USDA inspectors check the ingredients to ensure that the nutrition labels are accurate.

While these efforts operate in various USDA agencies, the activities are components of an overall Department mission to educate the American public with the facts they need to know in making intelligent decisions when food is purchased from the grocer, taken from the cafeteria line or prepared in the home.

Treating one part of the public separately, whether low income pregnant women or school children, makes sense only if there is effective coordination with other nutrition education efforts of the Federal government. Nutrition can and should be taught in schools as an integral part of the curriculum and utilizing the school food service programs as a learning laboratory. However, the recent FTC staff report on the effect of TV advertising on children clearly indicates that the mass media are an important source of information for children in deciding what they will eat. The Department of Agriculture is in a position to deliver nutrition education outside the classroom as well as inside.

Finally within USDA all nutrition education activities can be supported in a coherent fashion by the Human Nutrition Center of the Department's Science and Education Administration. Because of the center, human nutrition research and education policy decisions can be made in concert without all the problems that beset attempts to coordinate planning between two different cabinet agencies. Separating nutrition education activities for children from USDA would mean that a vital link between research and nutrition education would be crippled before it was firmly established.

#### Child Nutrition Programs

I certainly concur in the decision not to include the child nutrition programs among "base" components of a department of education, and I am confident that further examination will confirm that these programs should remain a part of the food and agricultural policy of the USDA.

I would like to take this opportunity, however, to address issues raised on page 3 of Tab 18 of the options paper.

The current administrative requirements for the Child Nutrition Programs are simple and logical. It is difficult to see how transferring these programs to a proposed Department of Education could effect further simplification or standardization.

For the School Nutrition Programs (lunch, breakfast, special milk), one annual agreement is executed between the Department of Agriculture and each State Education Department. The states then contract with local school districts, which draw program funds from the state upon submitting a short monthly report of meals served. These school district reports are then consolidated into a single monthly report which the state uses as its basis for claiming program funds from the Department of Agriculture. Unlike most Federal education programs, the major School Nutrition Programs require neither grant applications nor the distribution of funds in accordance with apportionment formulas. Funding is based solely on performance: the number and types of meals served.

Transferring the non-school Child Nutrition Programs (child care, summer feeding) to a proposed Department of Education could not simplify or standardize administrative requirements. To do so would require that all

Federal child care activities (including Head Start) be placed in that Department, along with an office that would serve all the needs of the recreation and park department sponsors who provide much of the local administrative structure for the Summer Food Service Program. Moreover, at the state level, the full range of concerns of child care and summer program sponsors is rarely addressed by State Education Departments.

The options paper suggests that transferring the Child Nutrition Programs might give greater independence to Federal Child Nutrition Program administrators in selecting commodities for distribution, thereby improving their nutritional value.

This observation is purely conjectural. In fact, the same legislative, political and marketing considerations which have historically governed the selection of commodities for distribution will always exist. The statutes which authorize the acquisition and distribution of commodities (other than Section 6 of the National School Lunch Act) specify the types and kinds of agricultural products which may be donated. Since funds for commodity acquisition under Section 6 are transferred from Section 32 of the Act of August 24, 1935, the purpose of that Section, which is the removal of surplus commodities, assures that whatever foods are "in abundance" as a result of vagaries in agricultural production will be purchased on the open market.

Several efforts, including the nationwide Food Preference Survey, are underway in the Department to insure that the foods distributed to Child Nutrition Program sponsors are more appropriate to the needs and tastes of consumers. Conflicts arising because the goals of agricultural policy and commodity choice may sometimes differ can be much better resolved by a single Department with access to all the relevant information. If the selection of commodities for the Child Nutrition Programs were transferred to a Department of Education, attempts to satisfactorily resolve these conflicts would be time consuming and uncertain of success.



**Community** WASHINGTON, D.C. 20506  
**Services Administration**



APR 10 1978

RE  
78 APR 11 A  
MANAGEMENT & BUDGET

Mr. James McIntyre  
Director  
Office of Management and Budget  
Executive Office of the President  
Washington, D.C. 20503

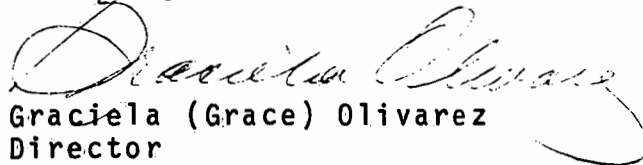
Dear Mr. McIntyre:

We hereby transmit our comments on the proposed Department of Education. Our remarks reflect a position of support for the Administration proposal in general. We have, however, raised concerns about the proposed transfer of several programs to a new Department of Education.

Two programs authorized by the Economic Opportunity Act are recommended for inclusion in the new Department. Our comments concerning the NCAA Sports Program and the Summer Youth Recreation Program are included.

I hope our review proves helpful to you in preparing recommendations for the President.

Sincerely,

  
Graciela (Grace) Olivarez  
Director

Enclosure

The Community Services Administration supports the creation of an independent cabinet Department of Education and would like to offer a series of recommendations to help refine the focus and goals of the new department. The Community Services Administration is particularly pleased to note that among the basic purposes of the new department are included emphasis on providing access to equal educational opportunities, recommitting the educational establishment to underwriting development of quality basis skills, and linking schools to communities.

12

In order to promote implementation of these goals, CSA recommends that:

- (1) Vocational and alternative education be accorded equal status with conventional educational approaches and that this notion be supported by equity in the distribution of resources.
- (2) The disadvantaged receive priority attention as a group of persons possessing special needs which must be effectively supported in the educational process.
- (3) Communities and neighborhoods, especially those in which a disproportionately large number of low income residents live, be guaranteed an equitable voice in the planning and implementing of educational policies at the local, state and national levels of government.

The following pages constitute comments on specific purposes and programs of the proposed Department of Education. No comment has been offered on those programs and objectives of the proposed department in which CSA concurs.



DHEW/OCR

CSA opposes transfer of DHEW's Office of Civil Rights' education related responsibilities to the proposed Department of Education. Such a course would tend to undermine the effectiveness of DHEW civil rights efforts, in recent years, to require educational institutions to comply with 1964 Civil Rights Act, Executive Orders and Regulations.

Specifically:

- (1) For the first time DHEW/OCR has begun to make an impact on educational institutions that have historically defied efforts to force compliance. Rapport is increasingly being established between OCR and recalcitrant institutions. To fragment these efforts at this time would give renewed energy and hope to resisting communities and institutions;
- (2) Civil Rights Compliance is essentially an enforcement function, not educational. To transfer this activity to the new Department would increase vulnerability to pressure from the education lobby. Consistent with the Administration's desire for compatability of functions within agencies and departments, it would make sense to either leave OCR enforcement activity in DHEW where it will remain an integral part of such activity or put it in an agency which has exclusive responsibility for civil rights enforcement, such as EEOC.
- (3) The disruption of present civil rights programs, given existing hostility to their enforcement in educational institutions, would have the effect of setting the nation back years, in its efforts to change national attitudes and promote quality integrated educational institutions.

## YOUTH SERVICES PROGRAMS

CSA supports the transfer of Youth Services programs to the new Department of Education with the following caveats:

First, the programs should remain focused on poor and minority youth. CSA poverty guidelines should therefore continue as the standard for eligibility.

Second, the role of community action agencies and other community-based organizations be strengthened to permit them to control the design and implementation of these programs.

Third, Youth Services programs should emphasize career development through cooperative efforts among educational institutions, CAAs, CBOs and organized labor.

## YOUTH EMPLOYMENT AND TRAINING

Although CSA can support the proposed transfer of youth employment and training programs to a new Department of Education, several concerns need to be addressed.

First, creation of a single focus for federal youth programs in an education department must not imply or result in the exclusive or even primary delivery of such programs by local schools and other educational institutions. Although educational institutions are sometimes located in poor neighborhoods and communities, they are often not close to the community. Nor are educational institutions ideal administrative units for programs such as the Summer Youth Employment Program. Community based organizations working with youth should continue to be utilized in youth employment and training programs.

Second, emphasis and visibility should be given to vocational education and its linkages to youth employment, training and placement in a new Department of Education.

Third, in all instances, the Federal Poverty Index must be the eligibility criterion for youth employment and training programs. Such programs were designed and must continue to assist poor youth and their communities.

## HEAD START

CSA opposes transfer of Head Start to the proposed Department of Education. Classroom experience is only one of five major Head Start foci. Educators traditionally have not seen the need for the broad range of services - parent involvement, nutrition, health and socialization - to young children. And career development for parents, while not a formal component required in the Act, has provided job opportunities unrivaled by any other anti-poverty program with the exception of Community Action.

Empirical research has demonstrated that parent involvement is the key to long term gains for children in the program. The philosophy of involving parents, first as members of an advisory committee, then classroom volunteers, finally into job training programs, has provided a bridge for thousands of parents to cross from welfare dependency to contributing members of society.

The nutrition component of Head Start has provided in many instances the child's first nutritious meals, and through the parent involvement, has given parents for the first time exposure to nutrition education. Health services, too, are often a first exposure for parents and children to medical and dental screening and remediation. Socialization experiences created for children provide them the opportunity to interact with their cohorts in stimulating environment aimed at child development not just education.

Head Start is a community based program that has proven its success. Transfer of this program to the proposed Department of Education would shift the focus away from children and the community to a classroom experience. The only safeguard to assure continued success would be to allow Head Start to remain in OHDS/ACYF.

### SERVICE LEARNING PROGRAMS

CSA opposes transfer of Service Learning Programs to the proposed Department of Education. While these programs do indeed recruit students and draw upon the resources of educational institutions they are essentially volunteer programs with a more natural affinity to neighborhood and community-based organizations. In a large education department, they are likely to be relegated to a marginal role and could easily lose their primary focus - the use of volunteers (students, in this case) to address basic human needs. These programs should remain in ACTION or be transferred to an agency with a more community-based focus. Provision in the legislation for the new Department of Education could be made for agreements and understanding between the department and other agencies with a volunteer, neighborhoods and community, and antipoverty mission. Such bilateral or multilateral arrangements would better promote involvement of students and educational institutions than lodging these programs in a structure where their competitive position is weak.

Note: If the University Year for ACTION program is not continued (FY 78: \$4,950,000); the above argument is strengthened by the fact the remaining two programs are so small - National Student Volunteers (FY 78: \$326,000) and Youth Challenge (FY 78: \$224,000).

### CHILD NUTRITION

CSA opposes transfer of Child Nutrition to the proposed Department of Education. Such a move would again splinter nutrition efforts. While the transfer of the National School lunch, School Breakfast and special milk programs may provide impetus to educators to see nutrition as part of their responsibility, child care food, summer food service and commodity distribution would become as isolated as nutrition education in a Department of Education and would not be responsive to overall community priorities for nutrition. The emphasis of the program is clearly nutrition and not education.

## SUMMER YOUTH RECREATION AND NATIONAL YOUTH SPORTS

CSA supports inclusion of the National Youth Sports program in the Department of Education. We also believe the Summer Youth Recreation program (SYRP) properly belongs in such a department.

However, the SYRP as currently constituted, is run through CETA Prime Sponsors, the result of its having been previously housed in the Department of Labor. The Administration's draft bill to reauthorize the CSA and its programs under the Economic Opportunity Act of 1964, as amended, transmitted on July 21, 1977, recommends amendment of Sec. 222(a)(13), the Summer Youth Recreation Program. Sponsorship of the program is changed from CETA Prime Sponsors to "community action agencies where feasible, or other public or private non-profit agencies where no such community action agency exists or is able to administer a program to provide recreational opportunities for low-income children during the summer months". Both H.R. 7577 and S. 2090 contain identical language.

CSA experience with this program demonstrated that the legislative intent of serving low-income children was not insured through the use of CETA Prime Sponsors, primarily due to the minimal amounts of funding available upon application of the currently mandated "hold Harmless" provisions of this section. The expected change alters not only the delivery mechanism but also abolishes the hold harmless provisions and makes eligibility consistent with other EOA Title II programs.

Upon enactment of this amendment, the CSA envisions this program becoming a demonstration of alternative ways in which to provide recreational opportunities to low-income children during the summer months. Ideally, several years of such demonstration, coupled with expanded replication where appropriate, would lead to eventual spin-off of a successful model to the Department of Education.

## INDIAN EDUCATION AND SCHOOLS

CSA opposes transfer of the Johnson-O'Malley education assistance, continuing education programs and Indian schools to the proposed Department of Education. The major reason for this position is the profoundly important and highly sensitive issue of tribal sovereignty. Consultation with members of the Indian community indicates a deeply rooted fear that tribal sovereignty and the special nature of the trust relationship will be jeopardized by a transfer. A second reason is that there are sufficient grounds - given the ONAP experience - to suspect that shifting BIA programs to such a department would result in their being lost in an organization not established for dealing exclusively with Indians. Third, fragmenting Indian programs among various agencies and departments would result in confusion and dilution of impact. It would complicate an already complicated process even further. Finally, it is CSA's strong recommendation that representatives of the Indian community be carefully consulted before any action is taken.

The agency also recommends that firm and positive steps be taken to develop with the Indian people a coherent Indian educational policy and a reorganized (within the BIA) system for improving the effectiveness of Indian education.



## NATIONAL SCIENCE FOUNDATION

CSA opposes transfer of NSF to the proposed Department of Education. NSF's basic focus is on research. While there exists an inevitable nexus between research and education, subsuming NSF under the new department would tend to dilute emphasis on research. Research is a vital commodity cutting across a spectrum of non-educational endeavors and needs. There is a danger that access to research support and focus would be substantially reduced if the Foundation were relocated. Even in the academic community a necessary and clear distinction is made between research and education. The latter develops and tests knowledge; the former transfers it.

## NUTRITION EDUCATION

CSA opposes transfer of nutrition education components which are funded as a discrete activity and which are targeted primarily on students. Transfer of nutrition education to the Department of Education would further splinter nutrition education efforts. Nutrition education cannot be viable unless it is linked with nutrition research. The problems of nutrition education defined by OMB as spread among "four USDA agencies and seven HEW agencies" with "extremely limited" coordination would only be aggravated by transferring the program to the Department of Education and "assigning lead responsibility for coordinating of nutrition education activities to USDA". If USDA is to have the lead responsibility without any administrative controls, then there will be no way of insuring that nutrition education reflects nutrition research findings. The lack of interest in nutrition education by state and local educators would dilute the impact of this vital function.

## NATIONAL EDUCATION ON THE ARTS AND HUMANITIES

CSA opposes transfer of NEA and NEH to the proposed Department of Education. Each of the two endowments (Arts and Humanities) is a leader at the federal level for innovation, advocacy, and support in its respective sphere. The range of their interests and flexibility to carry out their mandates would be severely restricted by incorporation into an agency whose mission is education. Both endowments need the freedom to explore non-school alternatives to assisting the growth of the arts and - even given the link to institutions of higher learning - the humanities. Both endowments have worked with community organizations and promoted creative endeavors in distressed neighborhoods and communities. Their capacity to continue to do this could be diminished if their initiatives were continually reviewed in the light of conventional education wisdom and policy. The Foundation should remain independent.



Department of Justice  
Washington, D.C. 20530

April 10, 1978

Honorable James T. McIntyre, Jr.  
Director, Office of Management  
and Budget  
Washington, D.C. 20503

Dear Mr. McIntyre:

This is in response to your memorandum of April 7, 1978 asking for comments on the Department of Education proposal by close of business April 10, 1978.

The Department of Justice has reviewed the proposal and is generally supportive of it. However, we strongly object to the tentative recommendation to transfer the programs, personnel and the entire \$100,000,000 budget of the Office of Juvenile Justice and Delinquency Prevention to the proposed Department of Education.

There are compelling programmatic and administrative reasons for retaining this program in the Department of Justice. The primary motivation for the Juvenile Justice and Delinquency Prevention Act was to improve the way in which police departments, juvenile correctional agencies and juvenile courts responded to the problems of the juvenile offender. The thrust of modern thought about societal responses to juvenile crime focuses on upgrading and improvement of the same components of the criminal justice system that the rest of the LEAA program deals with - police, courts and corrections. Even research on the problems of the juvenile offenders is inextricably intertwined with similar research on the adult side. It is decidedly illogical to separate financial and technical assistance to these state and local criminal justice agencies between two distinct departments.

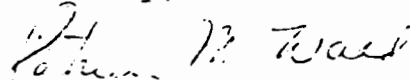


In addition, the Congress in enacting the Juvenile Justice Act felt that there should be some special emphasis given to preventing juveniles from becoming involved in the juvenile justice system. Accordingly, Congress created a special emphasis program to deal with the prevention of juvenile delinquency. Under the current Administration these funds are now being channeled directly to private agencies. These programs are an integral part of the overall Juvenile Justice and Delinquency Prevention Program and should not be dealt with in a manner different than other programs of the Office of Juvenile Justice and Delinquency Prevention.

In 1974 the Congress of the United States expressly rejected proposals to place this program in the Department of Health, Education and Welfare. In reauthorizing the program in 1977, the Congress expressed the "strong intention ... that the Office of Juvenile Justice and Delinquency Prevention be retained within the Department of Justice". (Conference Report on the Juvenile Justice Amendments of 1977, S. Rpt. No. 95-368, 95th Cong., 1st Sess.). This action by the Congress was consistent with reauthorization legislation proposed by the Carter Administration in 1977 and in signing this legislation the President endorsed the principles of the Juvenile Justice Act.

It is for these reasons that the Department objects to the tentative recommendation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Patricia M. Wald".

Patricia M. Wald  
Assistant Attorney General

ACTION



# ACTION

WASHINGTON, D.C. 20525

11 AG: 10

April 10, 1978

MEMORANDUM TO JAMES T. MCINTYRE, JR.

FROM: SAM BROWN, DIRECTOR

SUBJECT: Department of Education

Thank you for the opportunity to review and comment on the paper presenting options for programmatic content for a new Department of Education. I note that OMB and White House staff have tentatively recommended the transfer of ACTION's University Year for ACTION (UYA), National Student Volunteer Program (NSVP), and Youth Challenge Program (YCP), to the new department to form the core of an administrative locus for the development of a government-wide youth policy. I wish to register my objection to this recommendation for several reasons.

ACTION service-learning programs historically developed from a base of community service and social action, the primary emphasis being to assist local communities to solve pressing social problems through the involvement of youth as volunteers. These programs have consistently strived to provide a broad range of community service through the vehicle of student volunteers. They have never been programs which solely provided services to young people. We are of the view, therefore, that these programs have mistakenly been included in Appendix 12, the Youth Services Programs section of this paper. Their focus is not to provide youth services; rather, their focus is on the human, social and environmental problems which youth can solve through service to their communities. This is an important distinction, and allies these programs much more closely with VISTA, Peace Corps and the National Youth Service Demonstration which ACTION is currently undertaking than with the traditional education and youth services programs proposed for transfer to the new department.



As you are aware, ACTION and OMB jointly decided to defund UYA which was the largest of ACTION's education programs. One of the reasons for defunding UYA was that the model itself was dysfunctional in the context in which it was intended to operate: the majority of UYA projects provided neither social action results for the communities they were to serve, nor appropriate learning outcomes for the full-time volunteers involved. We are currently exploring alternative models which would actualize the full intent of this program. It makes little sense to transfer UYA authority and the existing model when we know that the existing model has not worked. Furthermore, the alternative models which we are currently examining for full-time service-learning are models whose prime focus is providing service to the community; learning outcomes are the secondary result.

Additionally, ACTION has received some \$10 million from the Department of Labor to undertake a demonstration of national youth service. OMB has further approved an addition of some \$5 million to our FY '79 budget to examine the feasibility of large scale national youth service. The experience of our three service-learning programs has been vital to the design of our demonstration project, and will be drawn heavily on during FY '79 as we proceed with our intended policy analysis of a national youth service concept.

I agree that the expertise of our UYA, NSVP and YCP staff would indeed contribute significantly toward the development of a national youth policy. On the other hand, I can envision that their very uniqueness, being so wholly unlike any other programs proposed for transfer, would unfortunately submerge them under a bureaucracy that would neither understand their programming approach, nor value the philosophical frameworks which underpin their program thrusts.

The removal of these programs from ACTION at this time can only hurt these unique service-learning programs by attempting to ally them with programs alien to their nature: i.e., Juvenile Justice and Delinquency Prevention, Summer Youth Sports, and National Youth Sports, as well as hurt the development of our national youth service program and policy.

I should like to recommend, therefore, that the decision on these three programs be deferred until a determination is made on whether there will be a government-wide youth policy, from which locus or department that policy will be administered, and what relationship national youth service and service-learning may have to that policy.

Labor

U. S. DEPARTMENT OF LABOR  
OFFICE OF THE SECRETARY  
WASHINGTON

April 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Secretary of Labor, Ray Marshall *for*

SUBJECT: Employment and Training Programs and the  
New Department of Education

This memorandum will provide you with my comments on the proposals for the new Department of Education, specifically the proposal to transfer several Department of Labor youth training and employment programs to the new Department. I believe the consideration of such a transfer is based on a misunderstanding of employment and training programs in general and little understanding of the specific programs targetted for transfer.

The following three points summarize the problems I see in the proposal:

- ° Our employment and training programs, for youth and adults, have the primary purpose of providing jobs, whether through job creation, job training or the matching of workers and jobs. In contrast, education programs, have the goals of teaching basic competency and some analytical skills. There are certain important interrelationships between these two types of programs. However, these missions are separate and should remain so. Transfer of programs between agencies would achieve little and would undermine the basic purpose of each.
- ° Minor changes in organizational location of employment and training programs achieve little in the way of better linkages between

the two activities. Moreover, minor changes would create dual jurisdiction problems in local communities where one program operator would deal with two federal agencies.

- ° The new Department of Education would work through the present education system where funding is predominantly from state and local sources and federal influence is limited. State, local and private funding of education was approximately \$108 billion in 1976 or 88% of all education expenditures. A national level transfer of employment programs would do little to determine how education services are delivered at the local level. Significantly better education programs and improved coordination between education and employment programs can only occur by influencing the spending of education dollars at the local level. The Labor Department funds programs through local employment and training offices, yet exercises substantial control and can influence local program design. Consequently, employment and training programs can be used to leverage local education funds at the local level and improve program linkages. This leveraging is currently going on to a significant extent as local employment and training programs have formed a variety of coordinative arrangements with educational institutions.

### RISKS

In addition to the lack of any program gains, there are serious risks inherent in a transfer of training programs. These include:

- ° Loss of Labor Market Orientation:

An important feature of the Labor Department's employment and training programs has been the ability to change programs mix to respond to the business cycle and the needs of the labor market. For example, training programs have increased during periods of high economic activity and decreased in recessions. Conversely,

public jobs programs have increased during recessions. The programs also have the ability to shift emphasis among target groups, and have flexibility with respect to geographic allocation of funds. The kind of flexibility needed to keep the labor market well aligned in these general terms is best located in a labor market agency. It is not the proper role for an Education Department, which has no economic expertise and no history of response to overall labor market issues. The inclusion of workplace related programs in a new Education Department for "broadening" purposes ignores the record of operation of the programs in this Department. As mentioned in the decision paper, the great bulk of labor market policy will continue to be made by DOL and the proposed transfer would only remove some youth programs that would require coordination with this Department.

° Confusing Administrative Mechanisms.

A new established DED would likely operate its education programs as the Office of Education does now, through state and local education agencies. Since it would be very difficult to transfer job training programs to local education agency administrations, the paper proposes that DED be responsible for some operations through state and local education agencies and some operations through employment and training service agencies. This will cause an administrative nightmare at the national level and nothing is gained. Such a proposal has adverse consequences at the local level, where employment and training agencies would deal with two federal departments and would have their comprehensive labor market service systems totally disrupted. It would have no benefits for local education agencies who will still be dealing with a separate labor market institution. The decision paper points out the danger of this fragmentation.

- ° Loss of Emphasis on Disadvantaged and Youth.

The CETA system is targetted on the disadvantaged unemployed, particularly minorities, who are well outside the orbit of the schools and are for all practical purposes beyond reach of the schools and educational institutions. Federal training and jobs programs came into being because schools and other institutions had failed certain segments of society. There are large stakes involved in reaching and serving these persons so that they can become productive members of the labor force. There would be serious risks in shifting responsibility for this group to an education agency, which has a primary emphasis on the education of younger elements of the total population, and no history of dealing effectively with the problems of the most needy.

#### PROGRAM DISCUSSION

A discussion of these three programs suggested for transfer might prove useful in understanding our view of labor market programs and the place of these particular programs in an intergrated system of services.

- ° Job Corps.

This program has developed a close partnership with the State Employment Service offices for recruiting and screening enrollees, and providing follow-up services to completers. A transfer of the Job Corps from DOL would jeopardize this important link to the state employment services and to the local CETA system. Also, the Job Corps is now in the process of doubling its size. A transfer of the program may not only be disruptive, but could hinder successful expansion.

- ° Youth Demonstration Programs.

It has been suggested that the DED be responsible for one youth employment and training program authorized by the new Youth Act. This recommendation is based in the fact that the program design

in question provides for coordination with the schools attended by the program participants. The proposed shift fails to recognize the basic program goal of providing youth (predominantly economically disadvantaged, or those experiencing severest or multiple barriers to employment), with a chance to gain financial income through a work opportunity. This work opportunity develops work habits, skills, and other competencies required for later entry into the world of work. DOL works with local schools to arrange academic credit, occupational information and other services in support of the basic work program. The program in question is a demonstration project, designed to be a one-time experiment to test whether jobs can be feasibly guaranteed. It is expected to last for 18 months and will either be expanded nationwide (which will require enormous job creation capacities) or terminated. Its administration should rest with the Department of Labor.

° Summer Program for Economically Disadvantaged Youth.

The summer program helps economically disadvantaged youth in the labor market by giving them work experience, which results in job skills, good work habits and attitudes. Since the program is aimed at employment and enhancing employability, it should remain in the Department of Labor.

In addition to the foregoing discussion on problems with transfer of specific programs, I find that the points made in the "Problems and Opportunities" statement in support of transfer, have little substance. I do not believe that the fragmentation in policy development for education and training programs now exists, or that there is the suggested dispersion of decision-making authority for education programs per se other than the heavily state and local involvement to which I have referred. Also, Department of Labor programs do affect the structural unemployment needs of individuals in training and employment programs. The decentralized CETA system

is designed to better serve the needs of individuals in their localities, and to come up with strategies of service that will lead to gainful employment. To suggest that DOL programs are in the main short-term, stop-gap measures is a gross misrepresentation.

Finally, I do not believe that the mere "opportunity" to create a comprehensive youth agency argues for programs' removal from other agencies without the concomitant argument that better programs will result. I believe that my preceding discussion, shows that the latter argument has not been made.

#### COORDINATION

The need to establish linkages between education and employment programs at the Federal level is unavoidable. It is tempting to think that shifts in function among cabinet agencies can achieve this. The mainstream CETA system, along with Employment Service network and the apprenticeship training programs should remain centered on labor market realities and out of the education system. Any functional shifts of a partial nature will leave substantially unchanged the need for coordination between the two Departments. The CETA system, augmented by requirements of the new youth legislation, moves us in the right direction. The following are examples of present coordination:

- ° The local and state planning councils and State Manpower Services Councils established under CETA mechanisms contain educational agencies, which provide for joint review of manpower efforts in communities.
- ° The new youth legislation provides that at least 22% of funds for youth employment and training projects be spent in accordance with mutually agreed upon plans of Prime Sponsors and local education agencies (LEAS). We are in fact spending a higher proportion than that through LEAs.



- ° The idea of schools conferring academic credit for practical work experience is being promoted on a widespread basis in the new youth programs.
- ° Five percent of CETA Title I funds are set aside for distribution to vocational education purposes. CETA prime sponsors use community colleges, vocational schools, and secondary schools to deliver services to clientele.

ADDITIONAL OPTIONS FOR FUTURE COORDINATION INCLUDE:

- ° Allowing and encouraging State and the Prime Sponsors and LEAs within them to submit on an annual basis combined plans covering CETA and Vocational Education Act Activities.
- ° Funding additional Work and Education Councils, from funding sources both of DOL and the new Department of Education.

ADDITIONAL OPTIONS FOR TRANSFER

It may well be that a number of programs funded under the Youth Act would be appropriate for transfer to the Department of Education after the demonstration aspects of those programs have been completed in 1980. I would suggest that any decisions on Youth Act programs be deferred until that time with the understanding that they would then be analyzed for possible inclusion in the new Department.

Defense

*Wellford*

THE SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

APR 10 1978

MEMORANDUM FOR James T. McIntyre, Jr.

SUBJECT: Department of Education Option Paper

I have reviewed the OMB option paper dealing with a new Department of Education. I have several comments on portions of the paper related to the DoD Overseas Dependents Schools.

I agree with the recommendation in the OMB paper that the DoD Overseas Dependents Schools not be transferred to the proposed Department of Education. The best way to continue to provide quality education to the dependents of our service people overseas is to continue operation of the schools by the Department of Defense. Transferring the schools to the Department of Education would involve a substantial risk of degrading their quality, and would provide an extremely strong reaction from the Military Services.

I disagree with the paper's recommendation dealing with the linkage between the Department of Defense and the Department of Education. The latter should not have oversight authority. Rather the relationship between the two agencies should be similar to that which exists between the new Department of Education and state and local school systems.

I object to the paper's assessment of school management. It is badly out of date. The problems it outlines were highlighted in a study for Secretary Schlesinger in 1975. As a result the system was reorganized in 1976, with management centralized in the Office of the Secretary of Defense. Hard work within the DoD has led to dramatic management improvements since then.

The paper is misleading in its assessment of quality of the schools. The President should be told that educational quality is measured annually by the North Central Association of Colleges and Schools (NCA).

This is the same association that accredits colleges and schools in 19 states. All 62 DoD high schools are accredited. Arrangements have been made with the NCA to accredit all elementary schools. The NCA has always maintained that our educational programs are excellent.

I have enclosed some specific recommendations for changes in the option paper. I would like them also to be reflected in the decision paper you prepare for the President.

Finally, I would like to call to your attention the procedure by which we received this paper. It was in preparation by the PRP for months. My office received it late Thursday afternoon, and work began preparing a response Friday morning. Your staff asked for a response today, Monday. We have complied with that request; but I believe that such unreasonable and unnecessary deadlines operate to the detriment of sound planning. It is not the first time similar demands have been made in PRP matters. I would appreciate your asking your staff to attach more reasonable suspenses to papers submitted to this Department for comment.



**REPUTED**

Enclosure.

## Recommended Changes to Option Paper

Delete material starting with "Problems and Opportunities" on page 2 through the bottom of page 3 and substitute the following:

### II. Educational Quality

The educational quality of the DoD schools is measured annually by the North Central Association of Colleges and Schools (NCA). This is the same association that accredits colleges and schools in 19 states. All 62 DoD high schools are accredited. Arrangements have been made with the NCA to accredit all DoD elementary schools. The NCA states that the DoD educational programs are of excellent quality.

On page 6, delete first paragraph and substitute the following:

A relationship should be developed between the Department of Education and the Department of Defense dependents schools similar to that which exists between the Department of Education and state and local school systems.

On page 6 add the following sentence after the last sentence on the page:

Members of the Educational Policy Advisory Board will be appointed by the Secretary of Defense.

Enclosure



NATIONAL  
ENDOWMENT  
FOR  
THE ARTS

WASHINGTON  
D.C. 20506



A Federal agency advised by the  
National Council on the Arts

April 10, 1978

Mr. James T. McIntyre, Jr.  
Director  
Office of Management and Budget  
Washington, D. C. 20503

Dear Mr. McIntyre:

This is in response to your Memorandum of April 7, 1978 requesting our comments and recommendations on the proposed Department of Education, as announced by the President in his State of the Union Address and contained in pending legislative bills such as S. 991 (Ribicoff).

Let me state at the outset that the National Endowment for the Arts and the National Council on the Arts are in complete agreement with the tentative recommendation of the OMB and White House staff that the National Endowments for the Arts and the Humanities not be included in a new Department of Education. A copy of the Endowment's position letter to OMB is attached. The position contained therein has been reaffirmed by the Endowment and the Council under my recently assumed Chairmanship.

The concept underlying the proposed legislation is inconsistent with the philosophic, legal, and political basis upon which the Congress acted in 1965 when, in enacting the National Foundation on the Arts and the Humanities Act, it established the National Endowment for the Arts as an independent Federal entity within the Foundation with its own Chairman and advisory body, the National Council on the

Arts. The enabling legislation was passed after many years of discussion, study, and debate, and is generally recognized and praised as a major legislative achievement. At that time there was discussion regarding placing the Endowment within the Department of Health, Education and Welfare. Because of the great preponderance of views expressed for an independent agency, that concept was rejected. We believe that today the preponderance of public opinion against such a proposal would be even greater.

We concur that two very important criteria to be considered in assessing the programmatic content of a new Education Department are (1) the integrity of, and the negative effect on, the agency being transferred, and (2) the degree of political support of Members of the Congress, interest groups, other executive agencies and the public.

As you can see, the Endowment and Council, while recognizing that the arts are, of course, educational in a very meaningful sense and that education must include knowledge of the arts, found that the two are distinctly different categories of human endeavor, each with unique needs, goals, and constituencies, and that any possible advantages of inclusion of the Arts Endowment in an Education Department were far outweighed by the disadvantages of such inclusion.

As the Endowment's position letter makes clear, we firmly believe that the integrity of the programs now being administered by the Arts Endowment as an independent agency under the policy guidance of the National Council on the Arts, and with guidance also from the Federal Council on the Arts and the Humanities, and the National Assembly of State Arts Agencies would unquestionably be undermined by the inclusion of the Endowment into a much larger entity having education as its organizing principle and legislative mandate.

As indicated in our letter, we believe that because the cultural constituency we serve (including non-profit performing arts organizations such as symphony orchestras, theatre groups, dance companies, etc.) is so fundamentally different from education entities, the negative aspects of such a transfer



on the program would be numerous. These include: (1) loss of flexibility in dealing with the kinds of problems and needs of the performing arts and cultural groups we serve; (2) undermining effects on our important partnership relation with the states and the National Assembly of State Arts Agencies; (3) adverse effects on our professional advisory panels of experts from the various cultural and artistic fields, including the National Council on the Arts, whose recommendations could be subject to review and possible rejection by non-arts administrators; (4) adverse effects on Endowment leadership initiatives within the Federal Government, such as in the Federal Graphics Improvement Program, where a direct relationship between the Endowment and other government agencies is essential.

Regarding political aspects generally, the public, the state arts councils, the various service organizations in the field, and the cultural institutions and organizations we serve have all made clear that they would oppose the inclusion of the Arts Endowment in a new Department of Education.

In sum, we believe that the independent leadership role of the Chairman of the Endowment and the National Council on the Arts has resulted in substantial accomplishments in helping to develop, preserve, and increase the availability of the arts to the American people. We are of the view that this important role could be weakened by placing the National Endowment for the Arts within the proposed Department of Education. Such an action we feel would be counter-productive and at odds with the growing public awareness that the arts are a distinct, important, and unique area of human activity, a national priority in their own right, and best served on the Federal level by an autonomous, independent, arts agency with the primary responsibility for the encouragement and fostering of American creativity and artistic development.

In closing, let me quote from a statement by Congressman John Brademas, a legislative leader in both the arts and education fields:

Mr. James R. McIntyre, Jr.

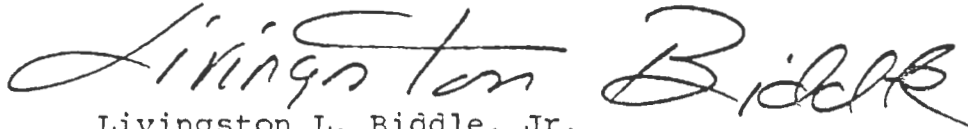
- 4 -

April 10, 1978

"...we must support the arts not simply...  
to provide jobs for artists but because  
the arts are important in and of themselves."  
(Emphasis added.)

Thank you for this opportunity to present our views.

Sincerely,

A handwritten signature in cursive script that reads "Livingston Biddle". The signature is fluid and elegant, with a large initial 'L' and a stylized 'B'.

Livingston L. Biddle, Jr.  
Chairman

Enclosure



NATIONAL ENDOWMENT FOR THE HUMANITIES

WASHINGTON, D.C. 20506



April 10, 1978

10 2:05

RECEIVED

Mr. James T. McIntyre  
Director  
Executive Office of the President  
Office of Management and Budget  
Washington, D.C. 20503

Dear Mr. McIntyre:

In the absence of our Chairman, Joseph Duffey, I am responding to your memorandum of April 7, 1978 requesting review and comment on the paper of the President's Reorganization Project, regarding a new Department of Education. Mr. Duffey, who is presently traveling on behalf of the National Endowment for the Humanities, will carefully review this response upon his return late Monday evening, April 10, and communicate with you on the 11th.

In our judgment, the paper accompanying your memorandum of April 7 reflects a possible misunderstanding of the legislative mandate of the National Endowment for the Humanities. The characterizations of the agency in Appendix 16 do not correspond to our program activities, or fully capture the Congressional intent in authorizing the agency.

I. Appendix 16: The Purpose of NEH

The Appendix contains information which is incorrect, either in fact or perspective, or both. The final paragraph on page 1 of Appendix 16, for example, distorts the mission and activities of the National Endowment for the Humanities by focusing only on a single area of its concern. The Endowment does "underwrite the production of knowledge," as the document says, and otherwise "support scholarly work." But it is also authorized to "foster public understanding and use of the humanities." To this end it works with state, local, and other Federal government agencies, as well as with private institutions, organizations, and associations; and it is required "to study and apply the humanities to the human environment with particular attention to the relevance of the humanities to the current conditions of national life."

NEH funds support programs for the out-of-school public in libraries, museums, the media, and through national organizations such as the Urban League, labor unions, the League of Women Voters, the NAACP, etc. A substantial portion of NEH's annual budget makes possible thousands of projects for the benefit of the adult public, through regrants from state committees on the humanities. These are voluntary, non-governmental citizen groups, now active in 51 states and territories, to which the Endowment is required by law to dispense at least 20 percent of its funds.

Moreover, the National Endowment for the Humanities is, like the National Endowment for the Arts as described at the top of page 2 of Appendix 16, also charged with "preserving our national cultural heritage"; and a specific Title in its legislation provides for "strengthening cultural institutions." In fact, only 9% of NEH funds in FY 77 went directly to support institutions of higher education, with a further 9% supporting curricular experiments. More significantly, NEH programs attract large and diverse audiences (witness the response to King Tut and the viewing audiences for many NEH-supported programs on TV).

It is inaccurate to depict--as some of the press recently has--this broad constituency as "elite" or "upper middle class;" it therefore does not seem to us appropriate to justify this significant government reorganization as a vehicle for rebutting a journalistic error. In much the same vein, the reference in the Appendix to "enhancement" of the Department of Education by the Endowment's inclusion seems to us also inappropriate as justification for putting an independent agency into a much larger bureaucracy.

## II. Appendix 16: Testimony on DOE and NEH

The assumption in Appendix 16 that the higher education community is likely to be disposed to support the creation of a Department of Education if NEH is included appears to us mistaken. Senior academicians and major educational organizations have already opposed this legislation. The American Association of Universities, the most influential and prestigious group of private university administrators in this country, is already on record in opposition. The American Council of Learned Societies, an umbrella organization of 41 scholarly organizations and professional societies (and one of the prime movers in establishing NEH thirteen years ago) will be vociferous in opposition. Our own National Council on the Humanities, which is appointed by the President, is on record in opposition (see Attachment A). In testimony before the Senate last October, Stephen K. Bailey, former Vice-President of the American Council on Education and now at the Harvard Graduate School of Education, termed the possible transfer of NEH and NEA as "unwarranted or unwise."

Even Rufus E. Miles, Jr., the architect of the Ribicoff bill, has expressed grave doubts about the feasibility, much less popularity, of such a move. Finally, Charles B. Saunders, Jr., in testimony before the Senate Committee on Governmental Affairs on March 21 -- on behalf of the American Association of State Colleges and Universities, Association of American Colleges, Association of American Universities, Association of Jesuit Colleges and Universities, Council for the Advancement of Small Colleges, National Association of Independent Colleges and Universities, National Association of State Universities and Land-Grant Colleges, and National Catholic Educational Association's College and University Department, as well as the American Council on Education--said "we would... oppose the transfer of the National Foundation on the Arts and the Humanities to the new Department. In their present modes the Endowments for the Arts and Humanities successfully and effectively had administered the missions for which they were established. Their functions and their purposes invite the independence and continuity which their existing structures provide."

### III. Contrasting Goals of DOE and NEH

It seems to us critically important to focus on the disparities between the central purpose and themes of the Department of Education and those of NEH. The paper identifies five basic purposes for the new Department, all in support of "strengthening our pluralistic, locally controlled system of education." But there is a disparity between these and the purposes enumerated by the Congress in establishing the National Foundation on the Arts and the Humanities.

--the Endowments are required "to develop and promote a broadly conceived national policy of support for the humanities and arts in the United States..." NEH is not charged with providing service functions to systems of education.

--the Endowments exist as independent agencies because, according to the Congress, "it is necessary and appropriate for the Federal Government to help create and sustain not only a climate encouraging freedom of thought, imagination, and inquiry, but also the material conditions facilitating the release of this creative talent." Lodging the programs which seek to support these objectives within a Department of Education rather than an independent Foundation would narrowly circumscribe the constituency which benefits from arts and humanities programming to a limited and defined public, i.e., those served by systems of education.

--the National Endowment for the Humanities is charged with fostering "public understanding and appreciation of the humanities." Its programs now serve millions of citizens and do not use state or local systems of education as vehicles for sponsorship, dissemination, or production. The Department of Education, however, will serve "to strengthen the capacity of States and localities to meet educational needs." Should the distinctive legislative mission of NEH be changed, or its programs be redesigned to accommodate this end, a sizable and articulate public constituency will be deprived of funds and programs in support of the humanities.

#### IV. Parallels Between NSF, NEA and NEH

It is noteworthy that the National Science Foundation is not included as a program candidate for the proposed Department of Education, and that the memorandum identifies a number of disadvantages that would attend the transfer of even the Science Education Directorate of NSF. The creation of the National Foundation on the Arts and Humanities, however, was based on the recommendations of a National Commission on the Humanities, co-sponsored by the American Council of Learned Societies, the Council of Graduate Schools in the United States, and the United Chapters of Phi Beta Kappa: the primary argument of the report of the Commission in support of an independent Foundation was that only the creation of an independent source of support for the humanities, parallel to the National Science Foundation, would properly symbolize the national concern in humanistic as well as scientific knowledge. The enabling legislation for the Endowment specifically reflects and is premised on this contention. The transfer of the Endowment for the Humanities would appear both as a repudiation of Congressional purpose and a diminution of national concern for humanistic knowledge.

Nor, in our judgment, would severance of the two Endowments be justifiable or acceptable. Again, the Report of the Commission which led to the creation of the Foundation views the "arts", "liberal arts," and "humanities" as interdependent manifestations of a single national interest; and the Congress so defined them in its preamble to the original Authorizing Legislation. It was this co-joining of the two that secured legislative and Executive branch action. The legislative history -- extending back almost ten years before enactment of the authorizing legislation--has consistently viewed the two Endowments as complementary and symbiotic.

Legislation creating the National Foundation on the Arts and the Humanities also established the Federal Council on the Arts and the Humanities. That Council has recently been charged by the Administration to survey national cultural needs, and Mrs. Mondale has been designated as its honorary co-Chairman. To fold either or both of the two Endowments into a Department of Education at this time would appear contrary to the President's intentions in this area. Furthermore, legislation was introduced last fall calling for White House Conferences on the Arts and on the Humanities. Hearings were held throughout the country with hundreds of witnesses speaking on behalf of constituencies in the humanities. They expressed confidence in the leadership role of the Administration and the Congress in these areas, and were strongly supportive of the Federal commitment to the work of the two Endowments.

In short, there is obvious public support for the Administration's and the Congress' announced intent to reexamine the Nation's cultural policy and the role of the two Endowments, just as there is already firm academic commitment to their continued independence. We therefore strongly urge that the National Endowment for the Humanities be deleted from the Administration's list of program candidates for the Department of Education.

Sincerely,

*Thomas V. Litzenburg, Jr.*  
Thomas V. Litzenburg, Jr.  
Special Assistant to the Chairman

cc: Harrison Wellford  
Joseph Duffey

Attachment



## APPENDIX A

### RESOLUTION OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES CONCERNING LEGISLATION TO ESTABLISH A DEPARTMENT OF EDUCATION

The creation of the National Endowment for the Humanities in 1965 reflected a broad national consensus that humanistic knowledge was as essential as scientific knowledge to the progress of a democracy, and that the peculiar sensitivity of humanistic work, together with its potential usefulness to all sectors of our society, required the establishing of an independent Federal agency to identify needs and to dispense public monies in terms of those needs and the national interest. During its subsequent eleven years of operation, the Endowment has demonstrated that Federal support for intellectual and cultural endeavors can be provided efficiently and prudently.

The National Council on the Humanities now notes that, of the many bills recently introduced into the Congress to establish a Department of Education, several propose inclusion of the National Endowment in such a Department.

While this Council formally takes no position on the intent of these bills to coordinate Federal education programs and provide them leadership at cabinet level, it does have the gravest concern that inclusion in a Department of Education -- whose primary interest will necessarily be in the health of the nation's educational systems -- would dangerously impair the Endowment's ability to perform its unique cultural mission.

That mission includes both the support of specialized, scholarly research (in which the Endowment parallels other agencies which sustain research in non-humanistic disciplines), and encouragement of public use of humanistic knowledge (where the Endowment complements yet other agencies whose responsibilities include cultural programming, broadly). The Endowment's work indeed, relates to almost 200 other Federal programs, relatively few of which would be included in the proposed Department of Education. It serves television, radio, and newspapers; museums, historical organizations, and libraries; civic, professional and religious organizations; ad hoc community groups; fraternal, youth and senior citizens agencies; labor and agricultural organizations; theaters; business groups; educational institutions. It has come to have real and symbolic significance in both the national and the international scholarly communities. And it has developed distinctive modes of operating appropriate to its unique role.

Accordingly, this National Council urges the Congress and the President, as they consider any government reorganization which might affect the National Endowment, to consult widely with practitioners in the humanities, and with other individuals and groups engaged in developing and disseminating humanistic knowledge, and with this Council itself, in order to assure that any change in the Endowment's status will further rather than retard Federal efforts to sustain the nation's scholarship, enhance its culture, and make the humanities accessible to all of our citizens.

Interior

HW 4/11/2



# United States Department of the Interior

OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20240

1 1 1976

Mr. James T. McIntyre, Jr.  
Director  
President's Reorganization Project  
Office of Management and Budget  
Washington, D. C. 20503

Dear Mr. McIntyre:

We have reviewed, as you requested, the options document concerning the programmatic content of the proposed Department of Education. While we support the concept of a Department of Education and feel that it should be given priority by the President, we have very serious misgivings regarding inclusion of Indian education programs in the proposal at this time.

Because of these misgivings, we strongly recommend that a decision on the inclusion of Indian programs be deferred until the serious and far reaching effects of such a move can be thoroughly considered. As you know, this is an extremely sensitive area and one in which several commitments have already been made to Indian groups by the Administration.

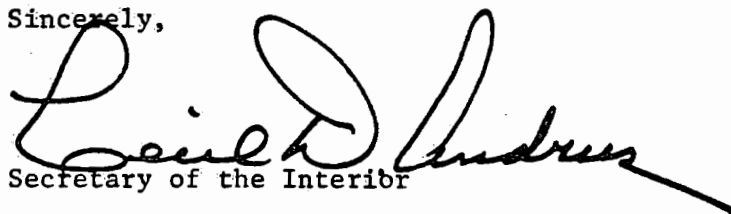
There are strong feelings in the Indian community and among those who are concerned with Indian issues that without further study, consultation and more in-depth study and consideration of basic issues, the proposed change would be counterproductive to the effective delivery of services to Indians. We are sure that this is not the intent of the proposal, but concur that this will be the result if greater understanding of Indian concerns and issues is not evidenced. There is a general feeling on the part of national Indian tribal, educational and legal organizations that adequate consultation has not occurred on this issue. The proposal could, if implemented, undercut both the spirit and the intent of the Congress and the Administration regarding Indian self-determination.

The timing of the Department of Education proposal is such that it will be made public just after a major Departmental Task Force study report recommending against transfer of Indian education programs has been released for comment and review. The Departmental study, dealing with BIA reorganization and Indian policy issues, included extensive consultation with Indian groups and the general public. The conflicting recommendations of the two studies could prove embarrassing to the Administration if not properly coordinated.

We feel that it is imperative that time be allowed to adequately develop and articulate the Administration's Indian policy before a final decision is made regarding Indian education. We urge you to defer inclusion of these programs in the Department of Education proposal.

My staff and I will be happy to discuss this very important matter with you in more detail if you desire.

Sincerely,

A handwritten signature in dark ink, appearing to read "Louis D. Andrews". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline that extends to the right.

Secretary of the Interior